



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

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September 27, 1985

Mr. Ronald E. Ashcroft
Vice President
Kerley Industries
Santo Tomas Route, Box 73
Sahuarita, Arizona 85629

Dear Mr. Ashcroft:

RE: Increased Bond Amount, Silver Reef Mine, ACT/053/002,
Washington County, Utah

A Certificate of Deposit (CD) was posted as a reclamation surety in August 1984 (CD # - \$55,210.00). The amount posted at that time represented the cost to reclaim the current surface disturbance posted in 1984 dollars.

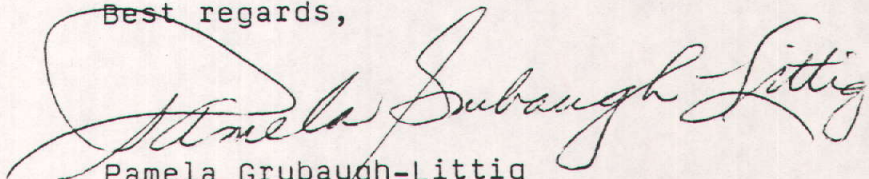
This bond amount must be increased to be posted in 1986 dollars at the escalation rate of 3.79 percent (averaging three preceding years from the Means Historical Cost Index):

1984 - \$55,210.00
1985 - \$57,302.00
1986 - \$59,474.00

An increased amount of \$4,264.00 must be posted with the Division no later than October 31, 1985.

Thank you for your prompt attention in this matter. If you have any questions, please call me.

Best regards,


Pamela Grubaugh-Littig
Reclamation Engineer

btb
cc: Lowell Braxton
John Whitehead
8808R-56